MONTANA LEGISLATIVE HISTORY

Chapter 120 1965

Bill H 76 S _____ Session Law ~~Original bill &~~ history ✓ C

H. Committee on Business + Industry			S. Committee on Judiciary		
Hearing Date(s)	January 22	✓ C	Hearing Date(s)	February 15	✓ C
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Date Out	January 22	✓ C		February 15	✓ C

Did this bill originate in an interim committee? ____Yes ____No

Committee _____ Report _____

January 22, 1965

Minutes of the

BUSINESS AND INDUSTRY COMMITTEE

The meeting was called to order by Rep. Judge, chairman. Secretary called the roll.

Committee first heard testimony on HB76 from Clarence Sullivan, vice president Union Bank and Trust Company in Helena. He explained the bill to committee members. Also, present were Bob Clark, Robert Deschamps, Sir., Vern Beatty, Kilmer Hanson, Bob Brown, Tom Maddox, proponents.

Next, committee heard testimony on HB120. First, Mr. James Walsh, Montana division manager for Rocky Mountain Oil and Gas Association, proponent of Billings, read a prepared statement to the committee. Also Eldon Davenport, petroleum engineer of Billings, demonstrated with charts the effect HB120 would have. He stated that if one well was discovered as a result of the encouragement this bill would give, it would ten times pay the loss in taxes. Next, Earl Cranston, vice president of the Montana Independent Land Owners Association and president of Sumatra Oil Corporation of Billings, stated that one out of every eight barrels of oil goes into the form of taxation. Raymond Peet, proponent, was present.

Opponents for HB120 were Kenneth Rustad, president Montana Assn. of County Commissioners, Baker, Montana. First six months of 1964 there were 122 oil wells (producing) discovered, and 225 dry wells. Also David Murphy county commissioner of Musselshell County, Carson Beck, county commissioner of Roosevelt county.

Mr. Gilligan made a motion that Rep. Bollinger's sub-committee report be accepted into the record. Seconded and passed.

Rep. Deschamps made a motion to give a do pass to HB76 and Mr. Loman seconded and the motion passed.

Rep. Deschamps made a motion to submit amendments to HB26 and give a do pass. Gilligan seconded and the motion passed.

Mr. Gerke made a motion to rescind the do pass part of the previous motion. Motion was seconded and passed.

Jean Nelson, Secretary

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SENATE JUDICIARY COMMITTEE MEETING - February 19, 1965
Senator Mahoney, Chairman
Senator Dussault, Vice Chairman

The meeting was called to order by the Chairman, Senator Mahoney. All of the committee members were present.

Appearing before the committee in support and as one of the authors of House Bill No. 155 was Fred W. Schepens, Representative from Dawson County. He informed the committee that the purpose of his bill was to amend a section of the Revised Codes of Montana, 1957, which fixes the date for filing certificates of nomination by candidates for public office who are nominated by methods other than the direct primary, by providing that such certificates must be filed on or before the date fixed by law for the direct primary election.

Appearing before the committee in support of House Bill No. 191 was E. A. Johnson, Representative from Deer Lodge County. He informed the committee that the purpose of his bill was to prohibit waiver of statutory exemptions. Wesley Wertz, representing the Montana Consumer Finance Association and the Montana Bankers Association, appeared before the committee in opposition to House Bill No 191.

John C. Sheehy, Representative from Yellowstone County, and Ray Wayrynen, Representative from Silver Bow County, appeared before the committee in support of House Bill No. 220. Mr. Wayrynen explained the purpose of the bill, which is to specify conditions under which forfeiture of bail or deposit instead of bail shall be discharged. He offered in evidence to this bill a document signed by George D. Anderson, an attorney with 6 years as Police Magistrate and 2 years as a professional Bondsman, from Great Falls.

Appearing before the committee in support and as the author of House Bill No. 273 was John C. Sheehy, Representative from Yellowstone County. He told the committee that the purpose of his bill was to provide for the release and discharge of liens imposed with respect to any tax due under Title 84, Chapter 49, RCM, 1947.

Francis Bardanouve, Representative from Blaine County, appeared before the committee in support and as the author of House Bill No. 161. He told the committee the purpose of his bill was to require the reporting of an interest in certain business enterprises.

After consideration of House Bill No. 49 by the committee, the following amendment was proposed: Amend on page 3, Section 2, lines 19 through 30 and on page 4, Section 2, lines 1 through 3 of the original bill, being the House Committee on Judiciary amendment to House Bill 49 of the printed bill, by striking all of the new material. Senator Huntley made a motion, seconded by Senator Dussault, that the amendments be adopted. Senator Gerard then made a motion, seconded by Senator Turnage, that the committee recommend that House Bill No. 49, as amended, be concurred in. The motion was carried.

After consideration of House Bill No. 76, it was moved by Senator Turnage and seconded by Senator Cumming, that the committee recommend that House Bill No. 76 be concurred in. The motion was carried.

(d) Any employee who has been in the employment of an incorporated city or town of this state continuously for a period of at least two (2) years, and which incorporated city or town is not participating in the public employees' retirement system of this state, may advise the legislative body of the city or town, in writing, that he wishes to participate in such system. The legislative body shall, within thirty (30) days after receipt of such written request, adopt the resolution of intention and take such other action as provided for in sub-section (a) of this act."

Request for participation —action.

Approved March 1, 1965.

CHAPTER 120

An Act Providing for the Unit Ownership of Multiple-Unit Buildings, and to Be Cited as the Unit Ownership Act.

Be it enacted by the Legislative Assembly of the State of Montana:

Section 1. Sections 2 to 42 of this act may be cited as the "unit ownership act."

"Unit ownership act."

Section 2. As used in sections 2 to 42 of this act, unless the context requires otherwise:

(1) "Association of unit owners" means all the unit owners acting as a group in accordance with the declaration and bylaws.

"Association of unit owners."

(2) "Building" means a multiple-unit building or buildings comprising a part of the property.

"Building."

(3) "Common elements" means the general common elements and the limited common elements.

"Common elements."

(4) "Common expenses" means:

"Common expenses."

(a) Expenses of administration, maintenance, repair or replacement of the common elements;

(b) Expenses agreed upon as common by all the unit owners; and

(c) Expenses declared common by sections 29 and 31 of this act, or by the declaration or the bylaws of the particular condominium.

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"Declaration." (5) "Declaration" means the instrument by which the property is submitted to the provisions of sections 2 to 42 of this act.

"General common elements." (6) "General common elements," unless otherwise provided in a declaration or by consent of all the unit owners, means:

(a) The land on which the building is located except any portion thereof included in a unit or made a limited common element by the declaration;

(b) The foundations, columns, girders, beams, supports, mainwalls, roofs, halls, corridors, lobbies, stairs, fire escapes, entrances and exits of the building;

(c) The basements, yards, gardens, parking areas and outside storage spaces;

(d) Installations of central services such as power, light, gas, hot and cold water, heating, refrigeration, air conditioning, waste disposal and incinerating;

(e) The elevators, tanks, pumps, motors, fans, compressors, ducts and in general all apparatus and installations existing for common use;

(f) The premises for the lodging of janitors or caretakers of the property; and

(g) All other elements of the building necessary or convenient to its existence, maintenance and safety, or normally in common use.

"Limited common elements." (7) "Limited common elements" means those common elements designated in the declaration or by agreement of all the unit owners, as reserved for the use of a certain unit or number of units, to the exclusion of the other units.

"Majority" or "Majority of the unit owners." (8) "Majority" or "Majority of the unit owners," unless otherwise provided in the declaration, means the owners of more than fifty percent (50%) in the aggregate of the undivided ownership interests in the general common elements as the percentage of interest in such element appertaining to each unit is expressed in the declaration. Whenever a percentage of the unit owners is specified, percentage means such percentage in the aggregate of such undivided ownership.

(9) "Manager" means the manager, board of managers or other person in charge of the administration of or managing, the property. "Manager."

(10) "Property" means the land, all buildings, improvements and structures thereon, and all easements, rights and appurtenances belonging thereto, which are submitted to the provisions of sections 2 to 42 of this act. "Property."

(11) "Recording officer" means the county officer charged with the duty of filing and recording deeds and mortgages or any other instruments or documents affecting the title to real property. "Recording officer."

(12) "Unit" means a part of the property including one or more rooms occupying one or more floors or a part or parts thereof, intended for any type of independent use, and with a direct exit to a public street or highway or to a common area or area leading to a public street or highway. "Unit."

(13) "Unit designation" means the number, letter or combination thereof designating a unit in the declaration. "Unit designation."

(14) "Unit owner" means the person owning a unit in fee simple absolute individually or as co-owner in any real estate tenancy relationship recognized under the laws of this state. "Unit owner."

Section 3. In order to submit any property to the provisions of sections 2 to 42 of this act, the owner thereof shall record a declaration in the office of the recording officer of the county in which such property is located. The declaration shall be executed in accordance with section 14 of this act and acknowledged by the owner of the property. Declaration by owner required —recording.

Section 4. While the property is submitted to sections 2 to 42 of this act, a unit in the building may be individually conveyed and encumbered and may be the subject of ownership, possession or sale and of all types of juridic acts inter vivos or mortis causa, as if it were sole and entirely independent of the other units in the building of which they form a part, and the corresponding individual titles and interests shall be recordable. Conveyance, encumbrance, and ownership of individual units—recordable interests.

Section 5. Each unit owner shall be entitled to the exclusive ownership and possession of his unit. Unit owner entitled to exclusive ownership and possession.

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Unit owner entitled to undivided interest in common elements.

Section 6. Each unit owner shall be entitled to an undivided interest in the common elements in the percentage expressed in the declaration. Such percentage shall be in the approximate relation that the value of the unit at the date of the declaration bears to the then combined value of all the units having an interest in the particular common elements. Value need not conform to market value. The percentage of undivided interest of each unit owner in the common elements as expressed in a declaration shall not be altered unless all unit owners having an interest in the particular common element agree thereto and record an amendment to the declaration setting forth the altered percentage of each unit owner having an interest.

Value need not conform to market value.

Undivided interest in common elements shall not be separated from unit—conveyed or encumbered with unit.

Section 7. (1) The undivided interest in the common elements shall not be separated from the unit to which it appertains and shall be conveyed or encumbered with the unit even though such interest is not expressly mentioned or described in the conveyance or other instrument.

Common elements shall remain undivided.

(2) The common elements shall remain undivided and no unit owner shall bring any action for partition or division of any part thereof, except as provided in section 36 of this act. Any covenant to the contrary is void.

Common profits and expenses —distribution.

Section 8. The common profits of the property shall be distributed among, and the common expenses shall be charged to, the unit owners according to the percentage of undivided interest of each in the common elements.

Repairs and alterations by unit owner —limitation.

Section 9. A unit owner shall make no repair or alteration or perform any other work on his unit which would jeopardize the soundness or safety of the property, reduce the value thereof or impair any easement or hereditament unless the consent of all the other unit owners affected is first obtained.

Use of common elements.

Section 10. Each unit owner may use the common elements in accordance with the purposes for which they are intended, but may not hinder or encroach upon the lawful rights of the other unit owners.

Maintenance, repair and replacement of common elements.

Section 11. (1) The necessary work of maintenance, repair and replacement of the common elements and additions or improvements to the common elements shall be carried out only as provided in the bylaws.

Association of unit owners—right of access as necessary.

(2) The association of unit owners shall have the right, to be exercised by the manager, to have access to each unit as may be necessary for the maintenance, repair or replacement of the common elements, or to make emergency repairs therein necessary for the public safety or to prevent damage to the common elements or to another unit.

Owner may not exempt himself from liability of common expenses.

Section 12. No unit owner may exempt himself from liability for his contribution towards the common expenses by waiver of the use or enjoyment of any of the common elements or by abandonment of his unit.

Unit owner shall comply with rules, covenants and restrictions—action for failure.

Section 13. Each unit owner shall comply with the bylaws and with the administrative rules and regulations adopted pursuant thereto, and with the covenants, conditions and restrictions in the declaration or in the deed to his unit. Failure to comply therewith shall be grounds for an action maintainable by the association of unit owners or by an aggrieved unit owner.

Declaration shall contain.

Section 14. A declaration shall contain:

(1) A description of the land.

(2) The name by which the property shall be known and a general description of the building, including the number of stories and basements, the number of units and the principal materials of which it is constructed.

(3) The unit designation, location, approximate area of each unit and any other data necessary for proper identification.

(4) A description of the general common elements and the percentage of the interest of each unit owner therein.

(5) A description of the limited common elements, if any, stating to which units their use is reserved and in what percentage.

(6) A statement of the use for which the building and each of the units is intended.

(7) The name of a person to receive service of process in the cases provided in section 38 of this act, and the residence or place of business of such person which shall be within the county in which the property is located.

(8) Any other details regarding the property that the person executing the declaration considers desirable.

Preliminary declaration

Section 15. A preliminary declaration, setting forth as many of the particulars required by section 14 of this act as may then be practicable, may be recorded before construction of the building described in the declaration is completed. The preliminary declaration shall not relieve the owner from the necessity of filing the declaration as required by section 14 of this act.

Name of property —not to contain.

Section 16. No property shall bear a name using a word which is the same as, similar to or pronounced the same as, a word in the name of any other property or subdivision in the same county, except for the words "apartment", "motel", "building", "court", "place", or similar words.

Recording of declaration —approval.

Section 17. Before a declaration may be recorded, it must be approved by the county assessor of the county in which the property is located. No declaration shall be approved unless:

(1) The name is proper so as to comply with section 16 of this act; and

(2) All taxes and assessments due and payable have been paid.

Recording.

Section 18. When a declaration is made and approved as required, it shall, upon the payment of the fees provided by law, be recorded by the recording officer. The fact of recording and the date thereof shall be entered thereon. At the time of recording a declaration, the person offering it for record shall also file an exact copy, certified by the recording officer to be a true copy thereof, with the county assessor.

Floor plans —recording.

Section 19. Floor plans of the building described in a declaration shall be recorded simultaneously with the declaration. The floor plans shall show the layout of each unit including the unit designation, location and dimensions of each unit and the common areas to which each has access. There shall be attached to the floor plans a statement of the registered architect or registered professional engineer who prepared the floor plans, certifying that the plans fully and accurately depict the layout of the units and floors of the building and the date construction of the building was completed.

Unit owners —bylaws.

Section 20. (1) The unit owners of each property shall adopt bylaws to govern the administration of the property.

Copy—recording.

(2) A copy of the bylaws, certified by the presiding officer and secretary of the association, shall be recorded simultaneously with the declaration of the property to which the bylaws relate.

Amendment of bylaws.

(3) An amendment of the bylaws shall not be effective unless approved by seventy-five percent (75%) of the unit owners and until a copy of the bylaws, as amended, certified by the presiding officer and secretary of the association of unit owners, is recorded.

Bylaws shall provide for.

Section 21. The bylaws shall provide for:

(1) The election from among the unit owners of a board of directors, the number of persons constituting the board, and that the terms of at least one-third (1/3) of the directors shall expire annually; the powers and duties of the board; the compensation, if any, of the directors; the method of removal from office of the directors; and whether or not the board may engage the services of a manager or managing agent.

(2) The method of calling meetings of the unit owners and the percentage, if other than a majority as defined by subsection (8) of section 2 of this act, that shall constitute a quorum.

(3) The election of a chairman, a secretary and a treasurer.

(4) The maintenance, upkeep and repair of the common elements and payment for the expense thereof including the method of approving payment vouchers.

(5) The employment of personnel necessary for the maintenance, upkeep and repair of the common elements.

(6) The manner of collecting from the unit owners their share of the common expenses.

(7) The method of adopting and of amending administrative rules and regulations governing the details of the operation and use of the common elements.

(8) Such restrictions on and requirements respecting the use and maintenance of the units and the use of the

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common elements, not included in the declaration, as are designed to prevent unreasonable interference with the use of their respective units and of the common elements by the several unit owners.

(9) The method of amending the bylaws subject to subsection (3) of section 20 of this act.

Deed of unit to contain.

Section 22. The deed of a unit shall contain:

(1) A description of the land, the name of the property, and the recording index numbers and date of recording of the declaration.

(2) The unit designation of the unit.

(3) The use for which the unit is intended.

(4) The percentages of undivided interest in the common elements appertaining to the unit.

(5) Any further details the grantor and grantee may consider desirable.

First conveyance of unit—mortgage and lien—satisfaction or release.

Section 23. At the time of the first conveyance of each unit following the recording of the declaration, every mortgage and other lien affecting such unit including the undivided interest of the unit in the common elements, shall be paid and satisfied of record, or the unit being conveyed and its interest in the common elements shall be released therefrom by partial release duly recorded.

Subsequent to recording of declaration —liens.

Section 24. (1) Subsequent to recording a declaration and while the property remains subject to sections 2 to 42 of this act, no lien shall arise or be effective against the property. During such period liens or encumbrances shall arise or be created only against each unit and the undivided interest in the common elements appertaining thereto, in the same manner and under the same conditions as liens or encumbrances may arise or be created upon or against any other separate parcel of real property subject to individual ownership.

Mechanic's or materialman's lien.

(2) No labor performed or materials furnished with the consent or at the request of a unit owner, his agent, contractor or sub-contractor, shall be the basis for the filing of a mechanic's or materialman's lien against the unit of any other unit owner not consenting to or requesting the labor to be performed or the materials to be

furnished, except that consent shall be considered given by the owner of any unit in the case of emergency repairs thereto performed or furnished with the consent or at the request of the manager.

Lien effective against two or more units—right of release.

(3) If a lien becomes effective against two or more units, the owner of each unit subject to such a lien shall have the right to have his unit released from the lien by payment of the amount of the lien attributable to his unit. The amount of the lien attributable to a unit and the payment required to satisfy such a lien, in the absence of agreement, shall be determined by application of the percentage established in the declaration. Such partial payment, satisfaction or discharge shall not prevent the lienor from proceeding to enforce his rights against any unit and the undivided interest in the common element appertaining thereto not so released by payment, satisfaction or discharge.

Records of manager.

Section 25. The manager shall keep detailed accurate records in chronological order, of the receipts and expenditures affecting the common elements, itemizing the maintenance and repair expenses of the common elements and any other expenses incurred. Such records and the vouchers authorizing the payments shall be available for examination by the unit owners at convenient hours of week days.

Services chargeable as common expenses.

Section 26. (1) Whenever an association of unit owners, acting through its manager, furnishes to a unit any services, labor or material lawfully chargeable as common expenses, the association of unit owners, upon complying with subsection (2) of this section, shall have a lien upon the individual unit and the undivided interest in the common elements appertaining to such unit for the reasonable value of such common expenses and the lien shall be prior to all other liens or encumbrances upon the unit except:

(a) Tax and assessment liens, and

(b) A first mortgage or trust indenture of record.

Recording of claim by association of unit owners.

(2) An association of unit owners claiming the benefits of subsection (1) of this section shall record in the county in which the unit or some part thereof is located a claim containing a true statement of the account due for such common expenses after deducting all just credits

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and offsets; the name of the owner of the unit, or reputed owner, if known; a description of the property where the common expenses were furnished and the designation of the unit, sufficient for identification.

Verified claim.

(3) The claim shall be verified by the oath of some person having knowledge of the facts and shall be filed with and recorded by the recording officer in the book kept for the purpose of recording liens filed under section 45-501. The record shall be indexed as deeds and other conveyances are required by law to be indexed.

Indexed.

Proceedings to foreclose—action for unpaid common expenses.

Section 27. The proceedings to foreclose liens created by section 26 of this act shall conform as nearly as possible to the proceedings to foreclose liens created by section 45-501. The lien may be enforced by the manager acting on behalf of the association of unit owners. An action to recover a money judgment for unpaid common expenses may be maintained without foreclosing or waiving the lien securing the claim for common expenses.

Foreclosure suit—payment required.

Section 28. In any foreclosure suit against a unit, the unit owner shall be required to pay a reasonable rental for the unit, if so provided in the bylaws, and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect the rent. The manager, acting on behalf of the unit owners, shall have power, unless prohibited by the declaration, to bid in the unit at the foreclosure sale, and to acquire and hold, lease, mortgage and convey the same.

Title obtained by foreclosure—no liability for prior common expenses.

Section 29. Where the purchaser of a unit obtains title to the unit as a result of foreclosure of the first mortgage or trust indenture, such purchaser, his successors and assigns, shall not be liable for any of the common expenses chargeable to such unit which became due prior to the acquisition of title to such unit by such purchaser. Such unpaid share of common expenses shall be a common expense of all the unit owners including such purchaser, his successors and assigns.

Voluntary conveyance of unit—grantee jointly and severally liable for expenses—exception.

Section 30. In a voluntary conveyance of a unit; the grantee shall be jointly and severally liable with the grantor for all unpaid charges against the latter for his proportionate share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the amounts paid by the

grantee therefor. However, upon request of a prospective purchaser the manager shall make and deliver a statement of the unpaid charges against the prospective grantor, and the grantee in that case shall not be liable for, nor shall the unit when conveyed be subject to, a lien filed thereafter for any unpaid charges against the grantor in excess of the amount therein set forth.

Manager shall insure the building if required.

Section 31. The manager, as trustee for the unit owners, shall, if required by the declaration, the bylaws or by a majority of the unit owners, insure the building against loss or damage by fire and such other hazards as shall be required, without prejudice to the right of each unit owner to insure his own unit for his own benefit. The premiums for such insurance on the building are common expenses.

Removal of property from provisions of act.

Section 32. (1) All of the unit owners may remove a property from the provisions of sections 2 to 42 of this act by executing and recording an instrument to that effect if the holders of all liens affecting any of the units consent thereto or agree, in either case by instruments duly recorded, that their liens be transferred to the unidivided interest of the unit owner in the property after removal from the provisions of sections 2 to 42 of this act.

Lien of tax collector.

(2) The tax collector for any taxing unit having a lien, for taxes or assessments, shall have authority to consent to such a transfer of any tax or assessment lien.

90% of unit owners may agree that the property is obsolete—renewal or sale.

Section 33. Ninety percent (90%) of the unit owners may agree that the property is obsolete in whole or in part and whether or not it shall be renewed and restored or sold and the proceeds of sale distributed. If ninety percent (90%) of the unit owners agree to renew and restore the property, the expense thereof shall be paid by all the unit owners as common expenses. If ninety percent (90%) of the unit owners agree to sell the property, the property shall be considered removed from the provisions of sections 2 to 42 of this act.

Damage or destruction of the property.

Section 34. If within sixty days (60) after the date of the damage to or destruction of all or part of the property, the association of unit owners does not decide to repair, reconstruct or rebuild, the property shall be considered removed from the provisions of sections 2 to 42 of this act.

Property removed from provisions of act—ownership.

Section 35. If the property is removed from the provisions of sections 2 to 42 of this act, as provided by sections 32, 33 and 34 of this act, the property shall be considered owned in common by all the unit owners. The percentage of undivided interest of each unit owner in the property owned in common shall be the same as the percentage of undivided interest previously owned by such owner in the common elements. Liens affecting any unit shall be liens, in accordance with the then existing priorities, against the undivided interest of the unit owner in the property owned in common.

Liens.

Property removed from provisions of act—partition.

Section 36. If the property is removed from the provisions of sections 2 to 42 of this act, as provided in sections 32, 33 and 34 of this act, it shall be subject to an action for partition at the suit of any unit owner. The net proceeds of sale, together with the net proceeds of the insurance on the property, if any, shall be considered as one fund and shall be divided among the unit owners in proportion to their respective undivided interests after first paying out of the respective shares of the unit owners, to the extent sufficient for the purpose, all liens on the undivided interest in the property owned by each unit owner.

Resubmission.

Section 37. The removal of the property from the provisions of sections 2 to 42 of this act, shall in no way bar its resubmission.

Actions—common elements or more than one unit—service of process—recording officer.

Section 38. Actions may be brought on behalf of two or more of the unit owners, as their respective interests may appear, by the manager with respect to any cause of action relating to the common elements or more than one unit. Service of process on two or more unit owners, in any action relating to the common elements or more than one unit, may be made on the person designated in the declaration to receive service of process or in duplicate on the recording officer of the county in which the declaration is filed. The recording officer shall promptly send a copy of the document served by certified or registered mail to the person designated in the declaration to receive service of process. At the time of service on the recording officer, the serving party shall pay to the recording officer a fee of ten dollars ($10), which shall be a taxable disbursement.

Other than person named in declaration to receive service of process—amendment.

Section 39. If the association of unit owners wishes to designate a person other than the one named in the declaration to receive service of process in the cases provided in section 38 of this act, it shall record an amendment to the declaration. The amendment shall be certified by the presiding officer and the secretary of the association of unit owners, and shall state the name of the successor with his residence or place of business as required by subsection (7) of section 14 of this act and that the person named in the amendment was designated by resolution duly adopted by the association of unit owners.

Taxation—each unit shall be considered a parcel of real property—building, common elements excluded.

Section 40. (1) Each unit with its percentage of undivided interest in the common elements shall be considered a parcel of real property subject to separate assessment and taxation by any taxing unit in like manner as other parcels of real property. Neither the building, the property nor any of the common elements shall be considered a parcel for purposes of taxation.

True cash value of unit—determination.

(2) In determining the true cash value of a unit with its undivided interest in the common elements, the county assessor may use the percentage of undivided interest in the common elements appertaining to a unit as expressed in the declaration.

Exemptions.

Section 41. Exemptions from executions and real property taxes apply to the owner of each unit or to the individual units as the case may be.

State board of equalization—rules and regulations.

Section 42. The state board of equalization shall have the authority to make rules and regulations prescribing methods best calculated to secure uniformity according to law in the appraisal and assessment of units constituting part of a property submitted to the provisions of sections 2 to 42 of this act.

Approved March 1, 1965.

CHAPTER 121

An Act Providing for the Disposition of, and Creating, Eliminating, and Adjusting Certain Fees Collected by the State Auditor, Department of Agriculture, State Board of Equalization, State Board of Health, Highway Patrol, Commissioner of State Lands and Invest-